

LYNCHBURG CITY COUNCIL

Agenda Item Summary

MEETING DATE : February 8, 2005

AGENDA ITEM NO.: 5

CONSENT: X

REGULAR:

CLOSED SESSION:

(Confidential)

ACTION: X

INFORMATION:

ITEM TITLE: **Replacement of Personal Property Tax Software**

RECOMMENDATION: Amend the FY 2005 General Fund Budget and appropriate \$95,300 with resources of \$25,000 from the Technology Fund and \$70,300 from the General Fund Reserve for Contingencies to replace the current personal property tax system software.

SUMMARY: The existing personal property software was developed in 1974 by City staff. While the existing software was modified to accommodate the Personal Property Tax Relief Act (PPTRA), it has now become obsolete with the most recent changes to PPTRA effective January 1, 2006. During the past several months an evaluation team comprised of representatives from the Office of the Commissioner of the Revenue, the Department of Financial Services and Information Technology have evaluated several software systems and have identified Professional Consultancy International (PCI) as the software that would best meet the needs of the City at a cost of \$250,000. Included in the FY 2005 budget was \$54,000 for the replacement of this system. This estimate was based on a software solution utilized by numerous localities; however, the purchase of the software would require acquisition of the entire suite of financial software packages developed by this vendor. The evaluation team concluded this would not suit the City's needs. There follows a summary of funding for this software replacement project:

Cost of project	\$250,000
Existing funding:	
FY 2005 Budget	(54,000)
Reallocation of existing programming resources	<u>(100,700)</u>
Additional Funding requested	<u>\$95,300</u>
Sources of Additional Funding:	
General Fund Reserve for Contingencies	\$70,300
Technology Fund	<u>25,000</u>
Total	<u>\$95,300</u>

PRIOR ACTION(S): February 1, 2005 Finance Committee recommended approval.

BUDGET IMPACT: General Fund Reserve for Contingencies would be reduced by \$70,300 and the Technology Fund would provide \$25,000 of savings from other information technology needs.

CONTACT(S): Donna Witt, Assistant Director of Financial Services, 455-3968
Mitch Nuckles, Commissioner of the Revenue, 455-3871
Mike Goetz, Director of Information Technology, 455-6002

ATTACHMENT(S): Attachment A-Summary of Software Implementation Expenses
Resolution

REVIEWED BY: lkp

Resolution:

Be it resolved that the FY 2005 General Fund Budget is amended and \$95,300 is appropriated with resources of \$25,000 from the Technology Fund and \$70,300 from the General Fund Reserve for Contingencies to replace the current personal property tax system.

Introduced:

Adopted:

Certified:

Clerk of Council

023L

Attachment A

Expected PCI software implementation expenses	
PCI Software, Installation and Services (Detail below)	187,000
Other hardware and software (Detail below)	9,500
Estimated travel and lodging expenses	14,550
Maintenance	24,120
Contingency allocation	14,830
	250,000
PCI Software and Installation	
Initial license	91,000
A/R Module	15,000
Business Review and installation	20,000
Training	16,000
Initial customization	25,000
Data conversion	20,000
	187,000
Other Hardware and Software	
Workstations	
Recommended server	6,000
Server setup	500
SQL Server	3,000
	9,500